



to the lab with Alexium's Product Development (PD). Of course, PD is not just in the lab, representatives are often on-site with our customers

too. This new larger facility will offer

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an efficient, updated workspace for our employees, and the project is progressing well. Framing and drywall is nearing completion and painting will start soon.

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PRODUCT DEVELOPMENT

Alexium is constantly striving to build and strengthen customized solutions for our clients. The Product Development (PD) team engages with the sales team and clients to ensure all needs are met or exceeded. The PD team has formulated processes to enhance operations within the department ensuring products are developed, tested and delivered on-time and to fit the customer's request without compromising the well-known quality of craftsmanship Alexium has earned in the industry.

Within the product development department, there are three major foci:

- 1. Development of custom formulations for customer needs.
- 2. Provide assistance for implementing our chemistry to streamline the commercialization process.
- 3. Establish relationships/partnerships with toll manufacturers for preparing commercial scale batches of product.

A large part of the department success is directly correlated to the years of formulation work and chemistry/engineering backgrounds of the staff. With over 40 years of collective experience in formulating, developing these custom solutions has been made possible. As is the case with many successful chemical companies, Alexium has developed a collaborative and very streamlined process between sales, product development and its customers.

The development of a certified formulation is a small portion of the total effort required for commercialization. The next step in the process is to implement and demonstrate the chemistry at a customer's facility. The team will typically manufacture 400-500 pounds of the chemistry and travel to the customer for the first few trials to expedite the commercialization process.



Over calendar year 2015, the team attended roughly 18-20 trials. With a growing staff and customer base, as of July 2016 the team has attended over 40 trials with many more planned for the rest of the year. The team has been able to maintain the same level of support to the first 18-20 customers while adding significantly more to the 2016-2017 pipeline.

The final aspect to consider is sourcing a toll manufacturer to produce commercial-scale batches once the initial trial phase has been completed. The team has a very experienced chemical engineer that has been responsible for identifying and establishing partnerships with manufacturers in key areas across the world. To date, we have prepared commercial-sized batches of chemistry across three continents and will continue to expand over the next few years.

